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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Russian President Vladimir
Putin (U)

PARTICIPANTS: The President
Colin Powell, Secretary of State
Condoleezza Rice, Assistant to the President
for National Security Affairs
Alexander Vershbow, U.S. Ambassador to
Russia
Daniel Fried, Special Assistant to the
President and Senior Director for European
and Eurasian Affairs, NSC Staff, Notetaker
Peter Afanassenko, Interpreter

Vladimir Putin, President
Igor Ivanov, Foreign Minister
Vladimir Rushaylo, National Security Advisor
Sergey Prikhodko, Foreign Policy Advisor
Alexey Meshkov, Deputy Foreign Minister
Interpreter

DATE, TIME October 21, 2001, 8:15 - 9:15 p.m.
AND PLACE: Shanghai, China

President Putin: I want to discuss nonproliferation issues. I agree with you that a problem exists. I believe it is one of the principal problems connected with terrorism. (S)

The President: They go hand in hand. (S)

President Putin: We must look at this as a whole, as a complex. I am ready to discuss this openly, but according to facts at hand. (S)

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Classified by: Stephen E. Biegun

Reason: 1.5 (d)

Declassify On: 10/23/11

The President: That makes sense. ~~(S)~~

President Putin: We are ready to act jointly, to a large extent. This applies to Iran and other countries. We have been affected by recent reality in an important way, and today we are moving seriously along a line in another direction. ~~(S)~~

Are you aware that Usama bin Laden was the Taliban Defense Minister? ~~(S)~~

The President: No. ~~(S)~~

President Putin: Neither was Prime Minister Blair when I told him. But it is a fact. So imagine a situation in which Musharraf is removed from power, by force, in Pakistan. The Taliban could take over that country and acquire access to their weapons, including nuclear weapons. ~~(S)~~

The President: Which is why we need missile defenses! ~~(S)~~

President Putin: (Laughs.) Yes, yes, but they don't have such missiles. They could not reach so far. ~~(S)~~

The President: They could reach Israel. ~~(S)~~

President Putin: Seriously, it is clear that the Taliban would welcome the chance to acquire nuclear weapons. There is a danger, and this is a problem, though not one created by us. We must take a broad look. We do not want to do anything that would place Israel in a difficult position. That is not our policy. Israel attracts and occupies the attention of a certain amount of fundamental forces, and resists them. So why would we want to eliminate Israel? This would not be in our national interests. Our approach is completely different than that of the Soviet Union. We are ready to work on this issue, as long as it is not a pretext for unfair competition in arms markets. ~~(S)~~

The President: That's right. ~~(S)~~

President Putin: We have data about the activities of certain United States firms. Minister Ivanov will provide this. Some Iranian missile centers have been established with U.S. equipment. ~~(S)~~

The President: This must be either old technology from the 1970s, or a roundabout acquisition. It would not be a direct sale. (S)

President Putin: Probably this latter is the case. Israel raises sales to Iran with us, such as special aluminum. But when we ask for specific information, they don't provide it. It seems they have to decide what they fear more: Iran, or giving us information. (S)

What are your views concerning the Taliban in the future of post-war Afghanistan? I heard you were considering allowing so-called moderates from the Taliban into the future government. (S)

The President: If we find reasonable people, that's one thing. But not terrorists, or extremists, or evildoers. I don't know whether there are such reasonable people in the Taliban, though Powell does. (S)

Secretary Powell: Musharraf does. (S)

President Putin: The Taliban was founded as a radical movement. We can remove its leadership, but the Taliban has compromised itself, just as Musharraf has compromised himself. Musharraf told us he was tough and had everything well under control. So did he, or did he not, know what was going on in his country in support of the Taliban and terrorism? Either he didn't know and wasn't in control, or he did know and was lying to us. I think that he did not know, and was not in control of the situation. We must consider this, as we consider the future leadership of the Taliban, and the leadership of Afghanistan. We have all been hurt. Why go through this again? We must draw lessons from this experience. We should spare Musharraf, for now, but we should not listen to him, not after our experience with him. The Taliban should not be allowed to hold positions in Afghanistan. If he were my agent instead of yours, I would treat him differently. (S)

The President: Musharraf is our best hope now; he is keeping Pakistan on the right side. (S)

President Putin: Yes, I agree. That is right and that is why for now we must spare him. But we should not listen to him. He was the head of Pakistan's intelligence service and what is the result! We would have the same bad result were we to support a

new leadership of Afghanistan that comes from the Taliban, from groups that you say are moderate. (S)

The President: I didn't say that, Powell did. (S)

Secretary Powell: Musharraf said this. What I said was that we cannot engage in ethnic cleansing in Afghanistan. There may be some individuals who were members of the Taliban, but not in its leadership, that can play a role. (S)

President Putin: I don't want to monopolize or dominate events in Afghanistan after the war. (S)

The President: Neither do we. It may be that some countries in the coalition will feel satisfied by a role in post-war reconstruction there. There will be a need for resources and some countries are prepared to act. Kim Dae Jung told me that South Korea was prepared to offer \$50 million, which is a lot of money for a country like Afghanistan. (S)

Do you think the Northern Alliance can beat the Taliban? (S)

President Putin: No. (S)

The President: Can they beat the Taliban with our help? (S)

President Putin: First we would have to provide them with weapons. We have established supply lines with them and Sergey Ivanov has raised this issue with you. Actually, he keeps bringing it up with Dr. Rice and has pushed her pretty hard on this. (S)

Foreign Minister Ivanov: We should drink to her! (U)

Dr. Rice: We are providing funding to the Northern Alliance with which they can purchase weapons. We are looking also at the more direct arrangements that Sergey Ivanov spoke of. It is true that you have the supply line in place. (S)

President Putin: In principle, the most effective way to proceed is for us to supply weapons to them at your expense. But your mistrust of us blocks this prospect. Such mistrust can be the only reason for your decision. Your objection must be that, if we were to supply the weapons, we would gain influence over the Northern Alliance at your expense. But this is the logic of enemies, and we are no longer supposed to be enemies. (S)

The President: That isn't it at all. We don't want to contest this with you. We don't want to stay in the region. We want to get Usama bin Laden and the leadership of al-Qaida, as I said, dead or alive. We have a preference on this, by the way, though I'll just say that we want him dead or alive. We have no intention of staying in Central Asia or Afghanistan. We do desire to work with Pakistan in the future. We do not want to see them fall to the terrorists. We want to work with India in the future. But, as I told Tony Blair, we have no desire, none, to stay in Central Asia and Afghanistan. We just want a stable government there after our experience. (S)

President Putin: We are ready to cooperate with you. We are absolutely fair in this. My conviction is that no one will be able to monopolize Afghanistan. We will not be able to establish a stable government, unless it includes representatives of all groups in the country. (S)

Now I have to ask you why you are distributing your food aid packages in the way you are, to Taliban-controlled territory. The Taliban is picking up the food packets and using them to feed people under their control. Usama bin Laden is picking up the food and thanks you. Usama bin Laden bought Afghanistan for nothing and your food drops help him keep it. We must instead give food to the Northern Alliance and if we do, the Pashtuns will all run to them. (S)

The President: We stopped those air drops of food to Taliban-controlled territory five days ago. We realized that this was foolish. (S)

I have a question: you said that Usama bin Laden is not the only rich Arab financing this. Are there other Arabs? (S)

President Putin: Recently there have been young, wealthy Arabs engaged in all of this. Igor Ivanov has been to Arab countries where the leaders don't run anything. Ten years ago, a young member of the Saudi Royal family came to our KGB chief in Moscow and tried to support a coup against Gorbachev! This was just before the collapse of the USSR, and he said that such a collapse would be terrible prospect; the collapse of the USSR would leave us alone with the Americans. This is what he said. They also take advantage of poor, desperate people, but are radicals. I read reports, intercepts from Chechnya, where some of these people are active. They talk of a "second front"

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against the United States and are actively engaged in looking for opportunities. (S)

The President: Which Saudis? You cannot mean members of the Royal Family. (S)

President Putin: They are hiding behind their family names. (S)

Foreign Minister Ivanov: I was in Saudi Arabia and they spent 30 or 40 minutes trying to persuade me that they were not aiding Chechens in the conflict. I hadn't even asked about this! (S)

The President: You think they were protesting a little too much? (S)

President Putin: I believe that, for these people, Chechnya and Central Asia are secondary. Their main targets are the main financial centers of the world, and the United States as a whole. They want Congress not to have Jewish influence there. They want to gain predominate influence or, if they cannot, they want to destroy the entire system. Russia is not their number one target: we will not be a financial center of power in the world for another 50 years. You are their target. They are serious, and they know that you will not use nuclear weapons against them. (S)

The President: That's right.. (S)

President Putin: There are opportunities to bring the United States and Russia closer. I have spoken to you more than once about this, and also with Tony Blair. I told Blair that I wanted to see a structure established between NATO and Russia. The structures in place today are not right. The Permanent Joint Council is just not effective at all. It is stillborn and there is no sense in trying to revitalize it. I made this point to Blair, who had his assistant at his side who had been Ambassador to NATO. (S)

Ambassador Vershbow: He isn't the only one with that background! (U)

President Putin: Of course, you, too. Well, Blair's assistant told me that the Permanent Joint Council needed a new quality. But that's no good. What's needed is something else. For Russian public opinion, NATO and the United States were seen as the enemy. This went on for a long time and it is hard to think

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differently. Yet, if we were to establish a mechanism to give Russia equality with NATO, and with NATO members, we would change this mentality. This would create something new between the West and us. But we can't be put in line for NATO membership. I told all this to Tony Blair, who said he had an idea. I asked what he had in mind and he said that we must invent something where NATO and Russia are equal. I said that this sounded interesting and he said he had no idea about the details but would think about it. (S)

Dr. Rice: I met with Manning some weeks ago and will see him soon. (S)

President Putin: Manning said he would think about this. He is clever and I think this is a good idea. (S)

The President: Yes, this is a good idea. (S)

President Putin: Please think about it. (S)

The President: The more comfortable you are with NATO, and with the West, the better off we all will be. (S)

Now I have a frank question for you: how much of your reluctance to move with me on the ABM treaty is due to pressure from Schroeder and general European pressure on this subject? (S)

President Putin: There is no force in Russia, including the pro-West rightist forces, which would not see Russian withdrawal from the treaty as treason. (S)

The President: Why is that? I just don't understand. (S)

President Putin: I have already faced this sentiment. When I announced the decision to close the Lourdes base, I faced this reaction. Not just from the communists: even the pro-Western, rightist parties criticized me and said that this decision was a big mistake. (S)

The President: With us, some do think that the 1972 ABM Treaty is still good to retain, but the average person wants to go forward. Does the average person in Russia really see the ABM Treaty as an important document? (S)

President Putin: For Russians, the ABM Treaty is a legacy of the old Soviet Union and ordinary Russian people see the ABM Treaty as something the USSR created that defends them. ~~(S)~~

The President: When you return to Russia at some point and can say that, "I convinced the Americans to reduce nuclear weapons," will that help change the politics on this issue? ~~(S)~~

President Putin: How will it appear if we both reduce our weapons stockpiles, and then you build missile defenses and we don't? In 50 years, our missiles will be of no use. Your territory would then be invulnerable and ours would not be. ~~(S)~~

The President: But that is just not practical. ~~(S)~~

President Putin: Not in 50 years? ~~(S)~~

The President: But in 50 years the entire world will look different. ~~(S)~~

President Putin: An ABM system could not counter 2,000 missiles. ~~(S)~~

The President: It couldn't counter 200 missiles! ~~(S)~~

President Putin: As of today, there has not been a single fully successful test of an ABM missile. The test that everyone said was successful was so only because the target missile had a homing device on it. ~~(S)~~

The President: That's not quite true, but it isn't the point. But it is true that it is not possible to develop a shield that could block a mature nuclear arsenal. That is just not real. The discussion is about a system that could block one or two missiles, not 200. ~~(S)~~

President Putin: There is no such country that poses that kind of threat. ~~(S)~~

The President: Iran and Iraq soon! Just watch Iran! ~~(S)~~

President Putin: I know, but the missile Iran is developing has a range of 2,500 kilometers, and could reach only Saratov, not Moscow. ~~(S)~~

The President: It could reach Israel. North Korea is selling missile technology around the world and this is a real problem.

~~(S)~~

President Putin: I agree. There is something in your argument, I realize. We have discussed what could be done in the future and I don't want to repeat this. ~~(C)~~

The President: Alright.. (U)

President Putin: We do not take this position just to be stubborn. But this is complex for us. If you want to resolve this issue, let us work on it, and it would take time. Or we could accept a radical option: you could just withdraw from the ABM Treaty. This could happen. But the Europeans greatly fear destabilizing acts. Our proposal for a way ahead is elegant and flexible. We want to solve the problem. ~~(S)~~

The President: To be honest, I really care about the Europeans, but it is hard. They'd shut down the American economy over global warming. I'm not sure how wise they really are. The European Union? It stifles innovation and entrepreneurship. The Europeans are wonderful, but their view of security is very resistance to any change. ~~(C)~~

President Putin: I met with the European Union in Brussels. I favor cooperation with the EU, but told them publicly that I could more easily talk to the United States. I said there is a leader, Bush, and you can agree with him or not, but you know where he stands, while the leader of the European Union changes every six months. We are always negotiating a solution to some problem and finding it gets placed on hold because the leader of the EU rotates. ~~(S)~~

Now I have the information about U.S. sales to Iran that I mentioned. The Isfahan nuclear center uses a mass spectrometer, model 79-92P produced by the U.S. firm Canberra. Another example: a heavy water plant build in Iran is an exact copy of a U.S. plant on the Savannah River. ~~(S)~~

The President: We probably sold this in the 1970s. ~~(S)~~

President Putin: We have intelligence that Italy, Sweden, Germany, and Japan are sources of nuclear technology in Iran. We provide Iran with conventional weapons, but have nothing to do with missile and nuclear weapons technology. That will not

happen while I am President. It would be contrary to the national interests of Russia. ~~(S)~~

The President: It sure is. (U)

President Putin: Iran is trying to develop a missile with a range just 200 kilometers short of Moscow. So the problem exists. We are ready to work on this problem. Sergey Ivanov wants to establish a working group to trace sales that raise questions. ~~(S)~~

The President: That is a positive idea. (U)

President Putin: Concerning Iraq, you should hear the report of Igor Ivanov. We know Saddam Hussein is crazy. Our problem is their debt to Russia of \$8 billion. There are commercial ties, as well. Russian firms have signed contracts worth \$44 billion. Well, half of this sum is not real, but half is, so \$22 billion. I hadn't planned to say this, but I will: our companies ask me what they should do. They have made plans and signed contracts. ~~(S)~~

The President: So your business interests in Iraq are tied to their debt to you? ~~(S)~~

President Putin: Yes. I tell them that we should wait to see about the outcome of the war on terrorism. But we will need some answer, just like we need something on the Northern Alliance. ~~(S)~~

Dr. Rice: We will look into the issue of support for the Northern Alliance, I promise. ~~(S)~~

President Putin: Good. I'm going tonight to meet the Northern Alliance and will see Rabanni. ~~(S)~~

The President: Condi and Colin have to go down and talk to the media, and then we are flying back to Washington. So thank you for this meeting and dinner. (U)

-- End of Conversation --